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By: **Delegate Hammen**  
Introduced and read first time: February 6, 2003  
Assigned to: Health and Government Operations

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Committee Report: Favorable  
House action: Adopted  
Read second time: March 4, 2003

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CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Maryland Health Care Commission - Evaluation of Mandated Health**  
3 **Insurance Services**

4 FOR the purpose of repealing the duty of the Maryland Health Care Commission to  
5 make a certain evaluation and file a certain report under certain circumstances;  
6 requiring the Commission to conduct an evaluation of existing mandated health  
7 insurance services and make certain recommendations to the General Assembly;  
8 requiring the evaluation to include certain assessments and a certain  
9 comparison of certain mandated health insurance services; requiring the  
10 Commission to submit a certain report to the General Assembly on or before a  
11 certain date and every 4 years thereafter; and generally relating to the  
12 evaluation of mandated health insurance services by the Maryland Health Care  
13 Commission.

14 BY repealing and reenacting, with amendments,  
15 Article - Insurance  
16 Section 15-1502  
17 Annotated Code of Maryland  
18 (2002 Replacement Volume and 2002 Supplement)

19 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
20 MARYLAND, That the Laws of Maryland read as follows:

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**Article - Insurance**

2 15-1502.

3 [(a) If, in accordance with § 15-1501(d) of this subtitle, the Commission  
4 determines that the full cost of mandated health insurance services is equivalent to or  
5 exceeds 2.2% of the State's average annual wage, the Commission:

6 (1) shall evaluate the social, medical, and financial impact of each  
7 existing mandated health insurance service in accordance with the method  
8 established for evaluating proposed mandated health insurance services under §  
9 15-1501(c) of this subtitle; and

10 (2) shall submit a report on its findings to the General Assembly, subject  
11 to § 2-1246 of the State Government Article, on or before October 1 of the following  
12 year.]

13 (A) (1) THE COMMISSION SHALL CONDUCT AN EVALUATION OF EXISTING  
14 MANDATED HEALTH INSURANCE SERVICES AND MAKE RECOMMENDATIONS TO THE  
15 GENERAL ASSEMBLY REGARDING DECISION MAKING CRITERIA FOR REDUCING THE  
16 NUMBER OF MANDATES OR THE EXTENT OF COVERAGE.

17 (2) THE EVALUATION SHALL INCLUDE:

18 (I) AN ASSESSMENT OF THE FULL COST OF EACH EXISTING  
19 MANDATED HEALTH INSURANCE SERVICE AS A PERCENTAGE OF THE STATE'S  
20 AVERAGE ANNUAL WAGE AND OF PREMIUMS FOR THE INDIVIDUAL AND GROUP  
21 HEALTH INSURANCE MARKET;

22 (II) AN ASSESSMENT OF THE DEGREE TO WHICH EXISTING  
23 MANDATED HEALTH INSURANCE SERVICES ARE COVERED IN SELF-FUNDED PLANS;  
24 AND

25 (III) A COMPARISON OF MANDATED HEALTH INSURANCE SERVICES  
26 PROVIDED BY THE STATE WITH THOSE PROVIDED IN DELAWARE, THE DISTRICT OF  
27 COLUMBIA, PENNSYLVANIA, AND VIRGINIA.

28 (3) THE COMPARISON DESCRIBED IN PARAGRAPH (2)(III) OF THIS  
29 SUBSECTION SHALL INCLUDE:

30 (I) THE NUMBER OF MANDATED HEALTH INSURANCE SERVICES;

31 (II) THE TYPE OF MANDATED HEALTH INSURANCE SERVICES;

32 (III) THE LEVEL AND EXTENT OF COVERAGE FOR EACH MANDATED  
33 HEALTH INSURANCE SERVICE; AND

34 (IV) THE FINANCIAL IMPACT OF DIFFERENCES IN LEVELS OF  
35 COVERAGE FOR EACH MANDATED HEALTH INSURANCE SERVICE.

1           (4)       ON OR BEFORE JANUARY 1, 2004, AND EVERY 4 YEARS THEREAFTER,  
2 THE COMMISSION SHALL SUBMIT A REPORT OF ITS FINDINGS TO THE GENERAL  
3 ASSEMBLY, SUBJECT TO § 2-1246 OF THE STATE GOVERNMENT ARTICLE.

4       (b)       The General Assembly may consider the information provided under  
5 subsection (a) of this section in determining:

6           (1)       whether to enact proposed mandated health insurance services; and

7           (2)       whether to repeal existing mandated health insurance services.

8       SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
9 July 1, 2003.